

Message Text

LIMITED OFFICIAL USE

PAGE 01 BANGKO 06514 020955Z
ACTION EA-12

INFO OCT-01 ISO-00 AID-05 SP-02 USIA-06 EB-08 NSC-05
TRSE-00 SS-15 STR-07 OMB-01 CEA-01 L-03 CIAE-00
COME-00 FRB-03 INR-10 NSAE-00 XMB-02 OPIC-03
LAB-04 SIL-01 PA-01 /090 W
-----086865 021452Z /41

R 020906Z MAR 78
FM AMEMBASSY BANGKOK
TO SECSTATE WASHDC 979
AMEMBASSY TOKYO

LIMITED OFFICIAL USE BANGKOK 6514

EO 11652: N/A
TAGS: EAID ETRD TH
SUBJECT: JAPAN TO IMPLEMENT \$130 MILLION PROJECT AID PROGRAM.
LITTLE HOPE SEEN FOR CORRECTING JAPAN-THAI TRADE IMBALANCE

1. ACCORDING TO JAPANESE EMBASSY ECON COUNSELOR NONOYAMA, THE FEBRUARY VISIT OF A JAPANESE TEAM TO BANGKOK HEADED BY GORO NAKASONE, DIRECTOR OF FIRST ECONOMIC COOPERATION DIVISION, MINISTRY OF FOREIGN AFFAIRS, WILL LIKELY RESULT IN THE IMPLEMENTATION OF THE AID PROGRAM AGREED UPON DURING JAPANESE PRIME MINISTER FUKUDA'S VISIT LAST FALL. THE PROGRAM WILL COVER THE FOREIGN CURRENCY COSTS OF SEVEN INFRASTRUCTURE AND RURAL DEVELOPMENT PROJECTS. THE EARLY IMPLEMENTATION OF THESE PROJECTS WILL, HOPEFULLY, BE SEEN AS A RESPONSE TO THAI DEMANDS THAT JAPAN TAKE STEPS TO REDRESS THE HEAVY IMBALANCE OF TRADE IN JAPAN'S FAVOR. SINGING OF THE AGREEMENT IS EXPECTED BY APRIL 1.

2. PROJECTS TO BE IMPLEMENTED ARE AS FOLLOWS:

(1) EGAT COMMUNICATIONS SYSTEM-\$6.1 MILLION.
ACTUALLY A SYSTEM TO TIE IN AREA ELECTRIC POWER GENERATORS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BANGKO 06514 020955Z

INTO A NETWORK TO FACILITATE THE TIMELY SWITCHING
OF PEAK LOAD POWER. PROJECT TO COMMENCE IN 1979. OPENING
OF BIDS SCHEDULED FOR JULY 78.

(2) DIN DAENG-PORT EXPRESSWAY-\$26.6 MILLION.
URBAN EXPRESSWAY PROJECT RUNNING FROM THE PORT TO AN AREA
SOUTH OF AIRPORT. CONSTRUCTION TO COMMENCE THIS YEAR

AND WILL BE COMPLETED IN 1980.

(3) SAM YAK SRA KRATHIAM-KANCHANABURI HIGHWAY-\$5.7 MILLION.
A HIGHWAY PROJECT FROM KANCHANABURI TO BURMESE BORDER. CON-
STRUCTION TO BEGIN THIS YEAR AND IS SCHEDULED FOR COMPLETION
IN 1980.

(4) PHITSANULOK-DENCHAI HIGHWAY.-\$17.5 MILLION.
CONSTRUCTION 1978-81.

(5) TELEPHONE DEVELOPMENT PROJECT-\$39.5 MILLION.
EXTENSION OF BANGKOK METROPOLITAN TELEPHONE SYSTEM.
PROJECT COMMENCED 1977 AND IS SCHEDULED FOR COMPLETION IN
1984.

(6) SMALL SCALE IRRIGATION SYSTEMS-\$20 MILLION.
CONSTRUCTION OF SOME 1000 SMALL SCALE DAMS AND IRRIGATION
SYSTEMS THROUGHOUT THAILAND. PERHAPS THE KNOTTIEST PROJECT
OF ALL. PROJECT TO BE CARRIED OUT BY RTG MINISTRY OF AGRI-
CULTURE WHILE JAPAN WILL SEND SEVERAL EXPERTS.

(7) ACCELERATED PRODUCTIVITY ROAD NETWORKS-\$20 MILLION
AGRICULTURAL FEEDER ROADS. CONSTRUCTION TO BEGIN
DURING CURRENT DRY SEASON.

3. DURING THE CURRENT JAPANESE FISCAL YEAR ENDING MAR 31
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BANGKO 06514 020955Z

JAPAN IS ALSO EXPENDING \$8 MILLION FOR GRANT AID AND
\$9 MILLION IN TECHNICAL ASSISTANCE. NONOYAMA EXPECTS
THIS TO INCREASE BY 15 PERCENT DURING THE NEXT FISCAL
YEAR AS PART OF THE GOJ PLEDGE TO DOUBLE THEIR DEVELOPMENT
AID IN FIVE YEARS.

4. NONOYAMA SAW LITTLE HOPE FOR REDUCING THE CURRENT
TRADE IMBALANCE BETWEEN JAPAN AND THAILAND. BOTH
GOVERNMENT AND COMMERCIAL EXPERTS WHO HAVE LOOKED AT THE
PROBLEM HAVE CONCLUDED THAT A SIGNIFICANT INCREASE IN
THE IMPORT OF THAI GOODS TO JAPAN IS NOT FEASIBLE SINCE
GOODS ARE NOT COMPETITIVE ON THE JAPANESE MARKET. ADDITION-
ALLY, NONOYAMA REITERATED GOJ OFFICIALS IN TOKYO HEAVILY
PREOCCUPIED WITH EC AND US COMPLAINTS ABOUT REDRESSING
RESPECTIVE TRADE BALANCES HAVE BEEN UNRESPONSIVE TO THAI PLEAS
THAT AS MUCH SHOULD BE DONE FOR THEM.
WHITEHOUSE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, ECONOMIC ASSISTANCE, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 02 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BANGKO06514
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780095-1041
Format: TEL
From: BANGKOK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197803117/aaaaduxb.tel
Line Count: 111
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 36ee3dba-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3146969
Secure: OPEN
Status: NATIVE
Subject: JAPAN TO IMPLEMENT \$130 MILLION PROJECT AID PROGRAM. LITTLE HOPE SEEN FOR CORRECTING JAPAN-THAI TRADE IMBALANCE
TAGS: EAID, ETRD, TH
To: STATE TOKYO
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/36ee3dba-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014